

Gambling Control Board Meeting Minutes
June 14, 2006
45 Commerce Drive, Augusta, Maine

Meeting opened at 12:35 p.m.

Board members present: Chairman George McHale, Peter Danton, W. Lawrence Hall, Michael Peters and Cushing Samp

Staff members present: Exec. Director Robert Welch, Lt. Patrick Fleming, Sgt. Robin Parker and Secretary Kathy Chamberlain.

Legal counsel: Melissa O'Dea, Ass't Attorney General

Minutes from May 24, 2006 meeting approved.

Motion to accept: Larry Hall

Seconded: Mike Peters

Vote: 5-0

Executive Director's Report

The Gaming Magazine subscription has been ordered for all board members to receive.

L.D. #1748 has been passed into law, effective August 20th, with several law changes to M.R.S.A. Title 8, Chapter 31. Highlights include: the renewal fee for Employees changed from \$250.00 to \$25.00; the State Police Inspectors at the Racino can now take fingerprints, the retroactive per diem pay for the board members was approved will be paid approximately in September.

Mr. Welch has notified the Governor's office of the upcoming expiration dates in August of two board members.

Financial Update

Robert Welch reported for Scott Woods, who is in Las Vegas at an Auditor training class. June 10th was the second highest day of money played at the Racino with 2.4 million grossed.

State Police Activity Update:

Sgt. Parker advised the Board that since the last meeting of May 24th, 16 more applications have been received and processed by State Police Staff. He and staff continue to monitor activities at the Racino, with nothing major to report.

As a side, Mr. Danton inquired of Sgt. Parker where he thought the majority of the players were coming from, who deferred that question to Jon Johnson, general manager of Hollywood Slots (HS). Mr. Johnson advised he had not seen a lot of out of state vehicles in the parking lot yet, so thought it was mostly Maine folks coming there. He advised that about 2,000 people are checked at Hollywood Slots each month, with about 200 turned away weekly due to under age, intoxication, improper ID's etc. Mr. Danton commended Mr. Johnson and Hollywood Slots for keeping the people under 21 out of the facility.

Unfinished Business: None

New Business:

Motion read by Larry Hall: “Effective immediately, all existing financial obligations of \$500.00 or more, whether deemed appropriate by department staff or others for payment, shall be approved by a majority vote of the Gambling Control Board before they are paid. Further, no future contractual or other obligation of \$500.00 or more shall be entered into or otherwise incurred by staff or others to be paid by the Gambling Control Board until approved by a lawful vote of the Gambling Control Board. All future contracts shall contain the wording of this motion and said contracts shall be non binding without the necessary vote of the Gambling Control Board. Any obligations which in their aggregate equal or exceed \$500.00 are subject to this rule.”

Seconded by Cushing Samp

Lengthy discussion ensued as to the purpose of the motion and clarification.

Motion made by Peter Danton to table this for now and have Mr. Welch return to the next board meeting with ideas of what would be included in the budget and what expenses would extend beyond the normal budgetary items. No second offered.

More discussion. Mr. Peters explained further the purpose for his motion is that the Board wanted to have more of an idea what kinds of expenses were being incurred and have some kind of knowledge and control on future spending, for the current board and future board members. He asked Mr. Welch if he could present to the board at their next meeting, the safeguards in place to prevent false billing.

Mr. Danton withdrew his motion and deferred to Mr. Peters’ explanation. Larry Hall withdrew his original motion as well, in lieu of Mr. Peters’ explanation and request of said list for future discussion. Cushing Samp also withdrew her second to the original motion read by Larry Hall.

Melissa O’Dea offered to work with Mr. Peters and others to seek clarification of their concerns and come up with alternative language that would be acceptable to all.

New Business:

First Six Months Study Group of the Racino Operation:

Mike Peters requested that the Board issue a public statement calling for a moratorium be put on any casino or racino developments until the Gambling Control Board has had time to study and evaluate what has taken place so far with the Racino i.e: long term and continuous effectiveness of said facility.

Discussion ensued. Melissa O’Dea advised that the Board could issue a Resolve in hopes of accomplishing Mr. Peters’ suggestion of a moratorium.

Chairman McHale requested Mr. Peters draw up a draft of a Resolve, to be considered at the next Board meeting. Mr. Peters agreed to do the draft.

Public Comments:

Jon Johnson of HS provided the Board a copy of a letter he had written to Representative Fred Moore, that provided an overview of Hollywood Slots employment information, salaries, business that have benefited by the Racino's presence, taxes paid by HS so far to the State of Maine, positive economic on the City of Bangor (in particular businesses along Main St in the vicinity of HS,) and general information on future plans. He also provided a financial sheet to the Board that provided a financial overview for the last seven months, which included monies received by the entities that are entitled to the 39% of gross revenue from the Racino.

New Business continued...

Educational Presentation done by Robert Welch. The Board were taken across the hall from the conference room, to Scientific Games (monitoring system of the Racino) Testing Lab. Mr. Welch then opened a slot machine and explained the interior portions i.e. soft meter, hard meter, communication lines, money box, etc. to the Board, with assistance by the Scientific Games personnel.

Next Meeting Date will be July 19, 2006 at 12:30 at the Gambling Control Conference Room, 45 Commerce Drive.

Meeting adjourned at 2:35 p.m.